



Ernie Fletcher
Governor

Mark David Goss
Chairman

LaJuana S. Wilcher, Secretary
Environmental and Public
Protection Cabinet

Christopher L. Lilly
Commissioner
Department of Public Protection

Commonwealth of Kentucky
Public Service Commission
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P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
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Teresa J. Hill
Vice Chairman

August 28, 2006

Honorable John P. Fendig
Senior Corporate Attorney
Louisville Gas and Electric Company
P. O. Box 32010
Louisville, KY 40232-2010

RE: Case No. 2006-00390
Kentucky Utilities Company

The Commission staff has reviewed your application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact Dawn McGee at 502/564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Mike Burford".

Mike Burford
Director Division of Filings

MB/MB
Enclosure

RECEIVED

COMMONWEALTH OF KENTUCKY

AUG 23 2006

BEFORE THE PUBLIC SERVICE COMMISSION

PUBLIC SERVICE
COMMISSION

FILED
AUG 23 2006
PUBLIC SERVICE
COMMISSION

In the Matter of:

**THE APPLICATION OF KENTUCKY
UTILITIES COMPANY FOR AN ORDER
AUTHORIZING THE ISSUANCE OF
SECURITIES AND THE ASSUMPTION
OF OBLIGATIONS**

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Case No. 2006 00390

APPLICATION

Kentucky Utilities Company ("KU" or the "Company") hereby requests, pursuant to KRS 278.300, that the Commission authorize the issuance of securities, assumption of obligations and entrance into all necessary agreements and other documents relating thereto as more fully described herein.

The Company incurs filing costs and dedicates significant labor time to complying with the restrictive requirements of the Indenture of Mortgage or Deed of Trust dated May 1, 1947, as Amended (the "Company Indenture"), which imposes numerous operational and administrative burdens on the Company. Debt secured under the Company Indenture is subject to extensive filing and reporting requirements and KU sustains ongoing administrative costs attributable to the preparation of reports and external legal, accounting and printing costs associated with the reporting requirements of the Securities Exchange Act of 1934 and the Sarbanes-Oxley Act of 2002. In addition, beginning January 1, 2007, when KU becomes subject to certain additional reporting requirements relating to Section 404 of the Sarbanes-Oxley Act, the Company will incur further costs to issue secured forms of debt.